

CANADA: Expansion of Abbotsford International Airport *(YXX)*: A multi-year development project in British Columbia's Fraser Valley

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Summary:

The <u>City of Abbotsford</u> is home to more than 137,000 residents and is located in one of the most productive agricultural areas in Canada. Combined with its close proximity to Greater Vancouver, the City of Abbotsford has created a strong and diverse local economy. A wide range of industries employ over 66,000 people, with the largest sectors in the area being manufacturing, retail, aerospace, construction, and agriculture. The city is also a major border crossing from Canada to the United States (U.S.), constituting a crucial physical link between British Columbia's (BC) Fraser Valley and the North West U.S. states.

Abbotsford International Airport (YXX) has been identified as one of Abbotsford's key economic drivers, and it is among the fastest growing airports in Canada. Passenger numbers exceeded 500,000 by 2007 and continue to grow steadily making it a major regional airport.

Demand by carriers and other operators, continues to grow at such fast rate that it is now exceeding the facility's capacity. In order to be able to continue to support the fast growing region of the Fraser Valley the airport was identified as requiring major capital investments for expansion, as early as 2006, as outlined in its long term Master Plan.

That year a \$116 million funding announcement was made for capital investment and expansion of YXX. Approximately 70% of that funding, or just over \$81 million, remains to be used now through 2018.

These expected sums of capital expenditures and infrastructure developments provide opportunities for U.S firms who supply goods and services for the construction and airport equipment industries.

Project Overview:

In <u>early 2009</u> YXX has already started expansion of its main Air Terminal Building (ATB) to improve services and increase convenience to all clients, as well as to improve traffic flow at the domestic and international terminals.

By <u>late 2009</u> the Provincial and Federal Governments announced a \$53 million funding initiative for major infrastructure projects for the City of Abbotsford such as road construction and the expansion of YXX. Approximately \$30 million is allocated for the latter, including the construction of a new Parallel Taxiway, the widening of YXX's main Apron, and the continued expansion of the ATB. In order to be eligible for full Federal Government funding as it is a part of the Government of Canada's <u>Infrastructure Stimulus Fund</u>, these projects must be completed by *March 31, 2011*. Also, over \$81 million in expenditures for projects and capital investment for YXX have been allocated by the City of Abbotsford (who owns YXX) from <u>2009 to 2018</u>.

Opportunities for U.S. Firms:

The following table summarizes some of the mayor projects that are part of Abbotsford International Airport's expansion, with the corresponding values of expected capital expenditures, and the year in which funding will be provided.

Table 1 - Projected Airport Capital Expenditures: Major Projects (2009 - 2018)

Year	Project	Millions \$ US
2009	Construct 07-25 Parallel Taxiway	\$ 10.19
	Widen Apron 1	\$ 4.37
	CF - ATB Expansion - Phase 1 (Extend to Customs Bldg)	\$ 1.36
	TOTAL - MAJOR PROJECTS 2009	\$ 15.91
2010	Construct 07-25 Parallel Taxiway	\$ 10.19
	ATB Expansion - Phase 2 (2nd Loading Bridge, Bldg Upgrades)	\$ 5.24
	Widen Apron 1	\$ 4.37
	TOTAL - MAJOR PROJECTS 2010	\$ 19.79
2012	Extend Runway 07/25 400 ft and Add Taxiway To Threshold	\$ 1.46
2014	Overlay Runway 07-25	\$ 7.76
2015	Relocate Control Tower	\$ 4.85
	TOTAL - MAJOR PROJECTS 2012 - 2015	\$ 14.07
SUBTOTAL	1 ALL MAJOR PROJECTS 2009 - 2015	\$ 49.76
SUBTOTAL 2	2 All other projects 2009 - 2018	\$ 31.77
TOTAL	SUBTOTAL 1 + SUBTOTAL 2	\$ 81.53

Source: City of Abbotsford 2009 -2013 Financial Plan, Corporate Services Finance Division

The two main developments to be completed before *March 31, 2011*, are the construction of the Parallel Taxiway, and the Widening of Apron 1, valued at \$30 million. These projects are being administered and managed by Abbotsford's International Airport General Manager of Infrastructure Stimulus Projects (GMISP).

Tenders are scheduled to be posted in the first quarter of 2010, according to the project schedule, and are available to the public through BC Bid (www.bcbid.gov.bc.ca).

As identified in the project's <u>Design Report</u>, opportunities exist for U.S. manufacturers and exporters of materials needed for these projects as follows:

- Granular Sub-Base, Crashed Granular Base (CGB), Cement Stabilized Base (CSB) and Hot Mix Asphaltic Concrete (HMAC) pavements for the construction of a flexible pavement structure for the Apron Expansion, the new Parallel Taxiway, and the Apron Taxilane Shoulders.
- Class V reinforced concrete in Class A bedding storm water drainage pipes for a Site Grading and Storm Drainage System.

- Elevated medium intensity, omni-directional, blue or yellow, 45w, 6.6A/6.6A. lights; edge lighting circuits; and flashing yellow lights, 200w, 6.6 Amps for the Taxiway Edge and Apron Edge Lighting.
- Internally illuminated (6.6A) guidance signs, with rating depending on size of sign, for Guidance Signage.
- 1/c #8, 5kv series cables; 50 or 75mm High Density Polyethylene (HDPE) tubing for new circuits for the existing Ductbanks, and new 2 or 4 x 100mm Ductbanks to be built.
- A new control system for the Airfield Lighting Control System (ALCS)

The major cost items in this list are the Pavement supplies and works for which the costs are estimated at \$18 million, Drainage and Water Supply supplies and works estimated at \$5 million, Site Works estimated at \$4 million, and Electrical supplies estimated to reach a value of \$2 million.

Other Opportunities:

Identified as one of the fastest growing and more prosperous municipalities in the Fraser Valley region, the City of Abbotsford will continue its fast-paced growth in the medium term. The Financial Plan for the City of Abbotsford has made clear its plans to spend just under \$800 million, or an average of 49% of its total projected expenditures (\$1,543 million) in capital projects (mainly infrastructure) from 2009 to 2013 alone.

With YXX's expansion projects only representing an average of 7% of total forecasted capital expenditures and a mere 4% of all total expenditures in that time frame, there is a significant number of opportunities for U.S manufacturers and exporters to provide goods and services in other major projects such as road construction, construction of a new fire station, recreation and cultural facilities, and drain water and sewage systems. Commercial Service Vancouver will continue to monitor all aspects of the City of Abbotsford major projects and file separate reports.

For More Information:

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